#### AGREEMENT

THIS AGREEMENT, made and entered into the 28th day of June, 1992, by and between Illinois‡ Bell Telephone Company, an Illinois corporation, hereinafter called the "Company", and the International Brotherhood of Electrical Workers, Local 383, hereinafter called the "Union".

WITNESSETH:

## ARTICLE 1 Recognition

1.01 The Company recognizes the Union as the exclusive bargaining representative for all non-supervisory employees, whose regular reporting locations are outside the City of Chicago (excluding that portion of the Southwest District included in 14-RC-7811) in respect to rates of pay, wages, hours of employment and other conditions of employment (within the meaning of the Labor Management Relations Act, 1947, as amended) whose job titles and classifications are included in the wage guide marked Exhibits A attached hereto and who are part



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## ILLINOIS IBEW 383

#### ARTICLE 26 Benefits

26.01 As changes are made in the terms of the existing "Ameritech Pension Plan", "Sickness and Accident Disability Benefit Plan", or their successor Plans and health care benefits as applied to employees, the Company will notify the Union.

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#### **AGREEMENT**

The Communications Workers of America, hereinafter called the "Union", and the Illinois Bell Telephone Company, hereinafter called the "Company", do hereby on this 9th day of August 1992, enter into the following Agreement to establish the wages and working conditions of the employees in the bargaining unit currently under the jurisdiction of Locals 4201-4203, 4209, 4211-4216 and 4217.

#### RECOGNITION

The Union, having been certified by the National Labor Relations Board, is recognized by the Company as the exclusive representative for the purpose of collective bargaining for all non-supervisory employees (within the meaning of the Labor Management Relations Act, 1947) who are part of the Operator Services Group within the Number Services Organization of the Company except for those employees handling Operator Services work in Personnel Offices. The Union also represents certain other non-supervisory employees whose titles are listed in this Agreement in the following organizations:

Assistant Vice President - Planning and Engineering

General Manager - Network Operations

Comptroller - Comptrollers

5



#### ILLINOIS CWA CONTRACT

#### ARTICLE 32

#### PENSIONS, DISABILITY BENEFITS, AND DEATH BENEFITS

During the term of this Agreement, no change may be made without the consent of the Union in the existing "Ameritech Pension Plan" and/or the "Sickness and Accident Disability Plan" or their successor Plans which would reduce or diminish the benefits or privileges provided thereunder. Any claim that such benefits or privileges have been so diminished or reduced may be presented as a grievance and if not resolved by the parties under their grievance machinery may be submitted to arbitration pursuant to the provisions of Article 5 hereof but in any such case any decision or action of the Company shall be controlling unless shown to have been discriminatory or in bad faith and only the question of bad faith or discrimination shall be subject to the grievance procedure or arbitration.

#### ILLINOIS CWA SOUTHWEST

#### ARTICLE 30

#### PENSIONS, DISABILITY BENEFITS, AND DEATH BENEFITS

Ouring the term of this Agreement, no change may be made without the consent of the Union in the existing "Ameritech Pension Plan" and/or the "Sickness and Accident Disability Plan" or their successor Plans which would reduce or diminish the benefits or privileges provided thereunder. Any claim that such benefits or privileges have been so diminished or reduced may be presented as a grievance and if not resolved by the parties under their grievance machinery may be submitted to arbitration pursuant to the provisions of Article 4 hereof but in any such case any decision or action of the Company shall be controlling unless shown to have been discriminatory or in bad faith and only the question of bad faith or discrimination shall be subject to the grievance procedure or arbitration.

BELL **TELEPHONE** COMPANY. **INDIANA** INCORPORATED, hereinafter referred to as "the Company", and COMMUNICATIONS WORKERS OF AMERICA. hereinafter referred to as "the Union", do hereby enter into the following Agreement. **ARTICLE 1** 

## RECOGNITION

SECTION 1. Bargaining Unit and Recognition—The Company recognizes the Union as the sole collective bargaining agent with respect to rates of pay, wages, hours of work and other conditions of employment for all regular and temporary employees in the Company who are both eligible for Union representation and whose authorized job titles are listed for the designated locality wage groups in the appropriate Appendices of this Agreement.

SECTION 2. Rights of Employees—Neither the Company nor the Union shall in any manner discriminate against, interfere with, restrain or coerce employees because of union membership or non-membership, or because of participation or non-participation in activities in behalf of the Union.

SECTION 3. Definition of Appropriate Properly Designated Department Head—The term "appropriate properly designated Department Head" as used in the Articles. Sections, and Appendices of this Agreement means the general manager, vice president or other manager who heads the department in which an employee is normally assigned.

SECTION 4. Non-Discrimination of Employees-In a desire to restate their respective policies, neither the Company nor the Union shall unlawfully discriminate against any employee because of such employee's race, color, religion, sex, age or national origin or because the employee is a qualified individual with a disability, a disabled veteran or a veteran of the Vietnam era.

The use of the masculine or feminine gender in this Agreement shall be construed as including both genders and not as sex limitations unless the Agreement clearly requires a different construction.

#### INDIANA / CWA CONTRACT

#### ARTICLE 9 - BENEFIT PLAN AND PENSION PLAN

SECTION 1. Changes in Existing "Sickness and Accident Disability Benefit Plan" and "Ameritech Pension Plan" - During the life of this Agreement, no change which will affect the employees within the bargaining unit may be made in the terms of the existing "Sickness and Accident Disability Benefit Plan" and the "Ameritech Pension Plan", except as follows:

- (A) No change which would reduce or diminish the benefits or privileges provided by the Plans may be made without the agreement of the Union.
- (B) No change which would increase or enlarge the benefits or privileges provided by the Plans may be made without notice to the Union and an offer to bargain during the sixty (60) calendar days following such notice.

Any claim that this Section 1 (B) of this Article 9 has been violated shall be subject to arbitration under the provisions of Article 8 of this Agreement.

SECTION 2. Non-Arbitrability of "Sickness and Accident Disability Benefit Plan" and "Ameritech Pension Plan" Terms or Administration - Nothing herein shall be construed to subject the Plans or their administration to the arbitration procedures of Article 8 of this Agreement, but such matters may be subject to the grievance procedures of Article 7 of this Agreement. Likewise, nothing herein shall be construed to require the Company to bargain during the life of this Agreement, upon the request of the Union, on any changes in the Plans.

#### **AGREEMENT**

This Agreement entered into the 14th day of September, 1992, by and between the INDIANA BELL TELEPHONE COMPANY, INCORPORATED, which may be hereinafter referred to as the "Company" and LOCAL UNION 336 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, affiliated with the American Federation of Labor-Congress of Industrial Organizations which may be hereinafter referred to as the "Union".

#### WITNESSETH THAT

WHEREAS, the Company recognizes the Union as the exclusive bargaining agency for those groups of employees of the Company, respectively, hereinafter specified; and

WHEREAS, the parties desire to establish standards of conditions of employment applicable to such groups of employees, respectively, and under which they shall work for the Company during the tenure of this Agreement, and desire to regulate employment relations between the parties for the purpose of securing harmonious cooperation and the settling by peaceful means of disputes that may arise affecting the employer-employee relationship.

NOW THEREFORE, in consideration of the mutual promises an agreement hereinto entered, the parties agree as follows:

#### ARTICLE 1 RECOGNITION

SECTION 1. The Company recognizes the Union as the exclusive bargaining agency for those employees of the Company whose occupations are currently represented by the Union and whose titles and classifications are included for the designated towns in the Wage Group Schedules, marked Exhibit "A", attached to and made a part of this Agreement.

#### INDIANA / IBEW CONTRACT

#### ARTICLE 24 - EMPLOYEES' PENSION PLAN AND BENEFIT PLAN

No change shall be made in the terms of the existing "Sickness and Accident Disability Benefit Plan" and the "Ameritech Pension Plan" which would reduce or diminish the benefits or privileges provided thereunder as they apply to employees represented by this Union without the consent of the Union.

There shall be no negotiations upon changes in the "Plans" during the period of this Agreement, except by mutual agreement. Such negotiations shall not extend more than thirty days after such mutual agreement is reached.

Disputes involving the true intent and meaning of this Article may be submitted to the grievance and arbitration procedures of this contract. Nothing herein shall be construed to subject the "Plans" or their administration or the terms of a proposed change in the "Plans" to such procedures.

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#### **PREAMBLE**

The Communications Workers of America, hereinafter referred to as the "Union," and the Michigan Bell Telephone Company, hereinafter referred to as the "Company," do hereby on this ninth day of August, 1992 enter into the following Agreement.

#### MICHIGAN / CWA CONTRACT

#### ARTICLE 23 Benefit Plan

- During the term of this Agreement, no change may be made without the consent of the Union in the existing "Plan for Employees' Pensions, Disability Benefits and Death Benefits" which would reduce or diminish the benefits or privileges provided thereunder.
- 23.2 Any claim that such benefits or privileges have been diminished or reduced may be processed as provided in Article 14, Grievance Procedure, and if not resolved thereunder by the parties may be submitted to arbitration as provided in Article 15, Arbitration, but in any such case any decision or action of the Company shall be controlling unless shown to have been discriminatory or in bad faith and only the question of bad faith or discrimination shall be subject to the provisions of Article 14 and 15.

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## CONTRACT **COMMUNICATIONS WORKERS OF AMERICA** THE OHIO BELL TELEPHONE COMPANY

Deted September 23, 1902

This Contract is entered into between the Communications Workers of America, hereinafter called the "Union", and The Ohio Bell Telephone Company, hereinafter called the "Company".

#### WITNESSETH:

THAT, in consideration of the mutual promises herein contained, the parties hereto agree each with the other as follows:

#### ARTICLE 1 **Recognition**

The Union having been certified by the National Labor Relations Board on February 7, 1950, the Company recognizes the Union as the acclusive collective bargaining representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, and other conditions of employment, for all of its employees as one unit, but excluding confidential employees and excluding professional employees and supervisors as defined in the Labor Management Relations Act, 1947.

#### **ARTICLE 1A** Non-Discrimination

In a desire to restate their respective policies, neither the Company nor the Union shall unlawfully discriminate against any employee because of such employee's race, color, religion, citizenship status, sex, sexual preference, age or national origin or because such employee is a qualified individual with a disability, a disabied veteran or a veteran of the Vietnam era.

#### **ARTICLE 2** Definitions - General

As used in this Contract, the following terms shall have the following meanings: 1.1 'Employee(s)', except as otherwise specifically provided in this Contract, shall mean all employees of the Company except confidential employees, and except professional employees and supervisors as defined in the Labor Management Relations Act, 1947.

1



Mr. Robert D. Johnson Vice President Communications Workers of America 20525 Center Ridge Road - Room 700 Cleveland, Ohio 44116

Dear Mr. Johnson:

This will confirm our understanding of August 10, 1992, in which it was agreed that the Company will provide for continuation of health care coverage for terminated employees and their covered Class I dependents, surviving spouses and covered Class I dependents of deceased employees, or the divorced spouse and dependent minor children of active employees, in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1986. Such former employee, or divorced or surviving spouse, must pay the applicable premium or equivalent premium charge for coverage under the health care plans as determined in accordance with the above act except to the extent provided in the paragraph below. Persons covered by this provision will have the opportunity to elect for coverage and must elect for coverage under the Company's Dental Expense and Vision Care Plans in conjunction with coverage under the Medical Plan, however, coverage under the Dental Expense and Vision Care Plans shall not be paid for by the Company.

Employees who are not eligible for a service pension and (1) whose employment is terminated as a result of layoff or application of the force adjustment procedures: or (2) who elect to leave the service of

(b) whose net credited service is at least one (1) year but less than five (5) years will be eligible for coverage under the Company's Medical Plan at Company expense for a period of three (3) months following the month in which employment is terminated.

Payment of the expense by the Company, however, shall not extend the period of coverage beyond that required to be provided by the Consolidated Omnibus Budget Reconciliation Act of 1986.

Please signify your agreement to the foregoing by signing the original of this letter at the place indicated below and return it to me. A copy is attached for your records.

Very truly yours,

Vice President

Agreed:
COMMUNICATIONS WORKERS OF AMERICA

Vice President

Date: September 23, 1992

Mr. Robert D. Johnson Vice President Communications Workers of America 20525 Center Ridge Road - Room 700 Cleveland, Ohio 44116

Dear Mr. Johnson:

This will confirm our understanding of August 10, 1992 in which it was agreed that the Company proposes to provide, beginning in 1993, an employee-paid Long Term Care Insurance Plan. This plan will provide benefits for long term nursing home and other forms of care for the employees, spouses, dependents, parents, parents-in-law and grandparents. The employee paid premiums vary by level of care and the age of the intended participant.

Will you please signify your agreement to the foregoing by signing the original of this letter at the place indicated below and return it to me. A copy is attached for your records.

Very truly yours,

Wice President

Agreed: COMMUNICATIONS WORKERS OF AMERICA

Mr. Robert D. Johnson Vice President Communications Workers of America 20525 Center Ridge Road - Room 700 Cleveland, Ohio 44116

Dear Mr. Johnson:

This will confirm our understanding of August 10, 1992 in which it was agreed that effective January 1, 1993, a Health Care Flexible Spending Account (FSA) will be made available to each employee whereby the employee may make contributions to an FSA of up to \$5000 per year on a pre-tax basis, and subsequently receive reimbursement from the FSA for eligible expenses incurred. Eligible health care expenses are defined by Section 213 of the Internal Revenue Code and include such items as employee health care deductibles, co-payments and unreimbursed health care expenses.

Other terms of the Health Care Flexible Spending Account will be released at a later date.

Will you please signify your agreement to the foregoing by signing the original of this letter at the place indicated below and return it to me. A copy is attached for your records.

Very truly yours,

Vice President

AGREED: COMMUNICATIONS WORKERS OF AMERICA

-/

Date: September 23, 1992

Vice President

Mr. Robert D. Johnson Vice President Communications Workers of America 20525 Center Ridge Road - Room 700 Cleveland, Ohio 44116

Dear Mr. Johnson:

This will confirm our understanding of August 10, 1992 in which it was agreed that the Company will adopt and implement certain resolutions changing various health care, savings plan and pension benefits, agreed to at a Common Issue Resolution Forum ("Common Forum") by certain representatives of the Company and the Union.

Specifically, the following changes in benefits are agreed to:

## Comprehensive Health Care Plan (CHCP)

Effective August 9, 1992:

- The Comprehensive Health Care Plan (CHCP) will be modified to provide for the implementation of a Personal Care Physician Health Care Network (Network) as outlined in Attachment A-1 of the Common Forum Resolutions.
- Union input and oversight responsibilities with respect to the Network will be assigned the Joint Health Care Cost Containment Committee as provided for in the Addendum to Attachment A-1 of the Common Forum Resolutions.

- The CHCP will be modified to provide changes in non-Network area health care benefits as provided for in Attachment A-2 of the Common Forum Resolutions.
- The second opinion list will be modified by the elimination of the carotid endarterectomy and meniscectomy procedures.

Effective January 1, 1993, benefits for Temporomandibular Joint (TMJ) Disorder, formerly paid under the Dental Expense Plan, will be provided for through the Comprehensive Health Care Plan.

### Dental Expense Plan

Effective January 1, 1993, the schedule of Company payments for Type B dental procedures will be increased on average 20% as provided for in Attachment B-1 of the Common Forum Resolutions.

Effective January 1, 1993, a voluntary Dental Maintenance Organization (DMO) option will be made available to employees. Details of the Dental Maintenance Organization will be released at a later date.

Effective January 1, 1993, coverage for Temporomandibular Joint (TMJ) syndrome will be removed from the Dental Expense Plan and included as part of the Comprehensive Health Care Plan.

#### Vision Care Plan

Effective January 1, 1993, the schedule of maximum allowances to be paid by the Company under the plan will be as follows:

Examination	\$25
Single Vision Lenses	\$35
Bifocal Lenses	\$50
Trifocal Lenses	\$60
Contact Lenses	\$75
Lenticular Lenses	\$90
Frames	\$40

#### Ameritech Pension Plan

Effective September 1, 1992, the monthly pension band amounts will be increased as provided for in Attachment D-1 of the Common Forum Resolutions.

Effective Septemeber 1, 1992, new pension bands will be created for the Operator job title. The band(s) amounts will be established at levels which are from forty-five cents (\$0.45) to forty-nine cents (\$0.49) over and above any other pension band increase amounts as otherwise provided for in the Common Forum Resolutions.

Effective January 1, 1993, employees hired on or after this date will be ineligible for retirement death benefits from the Ameritech Pension Plan.

Effective January 1, 1995, retirement death benefits payable from the Ameritech Pension Plan to eligible employees retiring on or after this date will be frozen at an amount equal to the annualized maximum wage rate for the job held by the employee prior to the effective date.

All Plan amendments are contingent upon approval of the Internal Revenue Service.

### Retiree Medical Assurance Program (RMAP)

Effective August 9, 1992, the Retiree Medical Assurance Program (RMAP) will be amended as provided for in Attachment E-1 of the Common Forum Resolutions.

#### Ameritech Savings and Security Plan

Effective September 1, 1992, the Ameritech Savings and Security Plan will be amended as provided in Attachment F of the Common Forum Resolutions.

#### Group and Dependent Life Insurance

The Group and Dependent Life Insurance plan will be amended as provided in Attachment G of the Common Forum Resolutions.

Will you please signify your agreement to the foregoing by signing the original of this letter at the place indicated below and return it to me. A copy is attached for your records.

Very truly yours,

Vice President

Agreed: COMMUNICATIONS WORKERS OF AMERICA

Hour C. James.

Vice President

Date: September 23, 1992

Mr. Robert D. Johnson Vice President Communications Workers of America 20525 Center Ridge Road - Room 700 Cleveland, Ohio 44116

Dear Mr. Johnson:

This will confirm our understanding of August 10, 1992 in which it was agreed the parties acknowledge that prior to expiration of the new Collective Bargaining Agreement dated September 23, 1992 (hereinafter "Agreement"), discussions will be held with respect to the level of future contributions toward the cost of health care coverage for retirees who have retired during the life of the Agreement.

This Letter of Agreement only obligates the Company to discussions concerning the permissive subject of bargaining defined above and nothing more with respect to retirees or any other issues affecting retirees, and is not intended in any way to be a waiver by the Company or Union of any prerogatives or rights related thereto.

Will you please signify your agreement to the foregoing by signing the original of this letter at the place indicated below and return it to me. A copy is attached for your records.

Very truly yours,

Vice President

Agreed: COMMUNICATIONS WORKERS OF AMERICA

Vice President

Date: Sentember 23 1992

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#### **AGREEMENT**

The Communications Workers of America, hereinafter called the Union, and Wisconsin Bell, Inc., hereinafter called the Company, do hereby, as of the 9th day of August, 1992, enter into the following Agreement:

#### ARTICLE 1

#### Union Recognition

- 1.01 The Company hereby recognizes the Union as the sole collective bargaining agent for the following employees:
  - (a) Employees whose titles are listed in Exhibits II through XV to Appendix A, all of which are attached to and made a part of this Agreement.
  - (b) Employees whose titles are listed in Exhibits II and III to Appendix B, all of which are attached to and made a part of this Agreement.
  - (c) Employees whose titles are listed in Exhibit II to Appendix C, which is attached to and made a part of this Agreement, and who are employed at the Appleton, Eau Claire, Green Bay, Madison, Fairway, Hopkins and Summit Residential Customer Service Centers; the Madison Business Sales and Service Center; the Residence Collection Centers; the Public Service Center at Waukesha; and the Business Collection Center. The parties recognize that the above office descriptions reflect the current titles of the offices which were previously certified by the National Labor Relations Board.

1



#### WISCONSIN CWA CONTRACT

#### ARTICLE 11

#### Benefit Plan

- 11.01
  During the term of this Agreement, no change which will affect the employees within the bargaining unit shall be made in the terms of the existing "Ameritech Pension Plan" or "Sickness and Accident Disability Plan," except as follows:
- (a) No change which would reduce or diminish the benefits or privileges provided by the Plan may be made without the agreement of the Union.
- (b) No change which would increase or enlarge the benefits or privileges provided by the Plan may be made without notice to the Union and an offer to bargain during the 60 days following such notice:
  - 1. Any claim that 11.01 (b) has been violated shall be subject to arbitration under the provisions of 11.02.
- Any claim that such benefits or privileges have been diminished or reduced may be presented as a grievance and if not resolved by the parties under the grievance procedure provided in Article 5, may be submitted to arbitration, in accordance with Article 6, but in any such case any decision or action of the Company shall be controlling unless shown to have been discriminatory or in bad faith and only the question of bad faith or discrimination shall be subject to the grievance procedure or arbitration.
- 11.03
  Appeal Rights Nothing herein shall be construed to subject the Plan or its administration to the arbitration procedure of Article 6 but such matters may be subject to the grievance procedures of Article 5. Likewise, nothing herein shall be construed to require the Company to bargain during the life of this Agreement upon the request of the Union, on any change in the Plan.

# **ATTACHMENT 3**

#### **DESCRIPTION AND JUSTIFICATION**

#### 1. Introduction and Description of Tariff Filing

This filing by the Ameritech Operating Companies (AOCs) is made pursuant to the Commission's Report and Order In the Matter of Amendment of the Part 69 Allocation of General Support Facility Costs, CC Docket No. 92-222, released May 17, 1993. This filing adjusts the Price Cap Indices (PCIs) that were filed April 2, 1993 (Transmittal No. 702), and subsequently adjusted on May 3, 1993 (Transmittal No. 707), for the reallocation of general support facility (GSF) costs among the four price cap baskets.

As a result of the PCI changes, rate changes in the Common Line, Traffic Sensitive and Special Access baskets are proposed to become effective July 1, 1993. The AOCs will demonstrate that for each basket, the Actual Price Indices (APIs), based on the proposed rates in this filing, do not exceed the relevant PCIs and that all Service Band Indices (SBIs) are within the applicable boundaries for each service band and subband.

This filing includes revised Exhibits 9, 10, 11, 12, 14, 16 and 18. Exhibit 19 displays the details of the calculations of the exogenous cost changes for the GSF cost reallocation.

Section 2 of this material describes the exogenous cost changes that were used to calculate the PCIs. In addition to the reallocation of the GSF costs among baskets, Long Term Support payments increase due to the impact of GSF reallocation on the rest of the industry, and the Interexchange basket is adjusted for the changes in the imputation of access charges.

Section 3 describes how the rates proposed in this filing were developed. End User Common Line rate adjustments reflect the changes to the revenue requirements due to the GSF reallocation. Carrier Common Line rate adjustments reflect the new Common Line PCI. Rate changes are proposed in each service band in the Traffic Sensitive and Special Access baskets. No Interexchange rate changes are proposed in this filing. A comparison of base period demand times current and proposed rates is provided in Exhibit 10, as well as on form RTE-1 of the Tariff Review Plan (TRP) in Exhibit 18.

#### 2. Exogenous Changes

The respective PCI for each basket was adjusted by exogenous cost changes associated with the reallocation of GSF costs, as well as the resulting change in Long Term Support payments. Also, the Interexchange basket's PCI was adjusted for the change in the imputation of access charges.

#### 2.1 Calculation of GSF Exogenous Amount

The exogenous changes for the reallocation of GSF costs among price cap baskets are the differences between each basket's 1992 base revenue requirements and these revenue requirements adjusted for the GSF reallocation. The 1992 base revenue requirements reflect the 1992 ARMIS results adjusted for the 1993 Base Allocation Factor (BAF), the 1993 Central Office Equipment Category 3 Allocator (DEM), and the completion of Michigan Bell's Inside Wire Amortization which occurred on December 31, 1992. The amount of the exogenous cost changes by baskets are +\$125.5 million for Common Line, -\$91.9 million for Traffic Sensitive, -\$33.4 million for Special Access and -\$0.2 million for Interexchange. Exhibit 19 contains these calculations.

#### 2.2 Changes in Support Payments

The exogenous change for Support payments is the difference between the sum of the projected Long Term and Transitional Support payments for the tariff year of July 1993 - June 1994 used in the April 2, 1993 filing and the revised projected payments for the same time period due to the GSF reallocation. The result of the change in Support payments is displayed on the EXG-1 form of the TRP. The impact of the change is an increase of \$10.7 million.

#### 2.3 imputed Access Charges

The "delta Y" exogenous cost change for the Interexchange basket measures the change in imputed access charges due to the change in the AOCs' interstate access service rate levels. Exhibit 9 is modified to reflect the proposed access rate changes. The impact of this change on the Interexchange basket is \$1.5 million.